

## Subpart D—Evaluation of Applications Nominating Renewal Communities

### § 599.301 Initial determination of threshold requirements.

(a) *Two threshold requirements.* Before rating and ranking an application, HUD will review it to determine if the application meets both of the following thresholds:

(1) *Eligibility of the nominated area.* This threshold is met if HUD determines that the nominated area as identified in the application meets all of the area eligibility requirements of subpart B of this part.

(2) *Adequacy of State and local commitments.* This threshold is met if HUD determines that the documents in the application evidencing compliance with the required State and local commitments meet all of the course of action and economic growth promotion requirements of § 599.107.

(b) *Failure to meet threshold requirements—*(1) *No rating or ranking.* An application that does not meet both of the threshold requirements by the application due date specified in the published notice inviting applications will not be rated or ranked for further Renewal Community consideration.

(2) *Opportunity to correct failure.* HUD will notify an applicant of the threshold deficiencies in its application. An applicant may submit additional information and take any other action required to correct the deficiencies and meet the threshold requirements until the due date for applications specified in the published notice inviting applications.

### § 599.303 Rating of applications.

(a) *In general.* Each application that qualifies by meeting the threshold requirements will receive a score based on its ranking, as described in paragraph (b) of this section, plus any preference points, as described in paragraph (c) of this section.

(b) *Ranking score.* Each nominated area meeting the minimum thresholds will be ranked from highest to lowest according to the area poverty rate, area unemployment rate, and for urban areas, the percentage of families below 80 percent of area median income.

Urban nominated areas will be ranked separately from rural nominated areas. The percentile rank will be determined by dividing these rankings by the total number of nominated areas ranked and multiplying the result by 100. The average ranking will be determined by computing the simple average of the percentile ranks for each nominated area. To create a 100 point scale, the average rankings will be subtracted from 100.

(c) *Preference points—*(1) *Incidence of crime.* A nominated area may receive a maximum of 1, 2, or 4 crime incidence preference points as follows:

(i) *Number of points awarded.* A nominated area will receive 1 additional point if its 1999 Local Crime Index (LCI), as determined on the basis of data from each State and local law enforcement authority with jurisdiction in the nominated area, does not exceed by more than 25% the nation-wide 1999 Crime Index rate per 100,000 inhabitants (CI) prepared as part of the FBI's Uniform Crime Reporting (UCR) Program. A preference of 2 points will be added to the score of a nominated area with an LCI that does not exceed the CI by more than 10 percent. A nominated area that has an LCI that is less than the CI will receive 4 preference points.

(ii) *Qualifying for preference points.* To qualify for preference points based on the incidence of crime, the nominating governments must determine and then certify to the LCI determined for the nominated area, in accordance with § 599.107(a)(3).

(2) *Preference points for certain census tracts.* A nominated area will receive one preference point if any of its census tracts is a census tract identified in GAO Report RCED-98-158R, dated May 12, 1998. (The GAO Report is available from U.S. General Accounting Office, P.O. Box 37050, Washington, DC 20013 or <http://www.gao.gov>.)

## Subpart E—Selection of Nominated Areas To Be Renewal Communities

### § 599.401 Ranking of applications.

(a) *Ranking order.* Rural and urban applications will be ranked according to their final scores as determined in